# GOVERNMENT OF INDIA
# LABOUR AND EMPLOYMENT
# LOK SABHA

STARRED QUESTION NO:102
ANSWERED ON:25.07.2016
Minimum Wages
Patil Shri Vijaysinh Mohite;Rajesh Shri M. B.

**Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:**

(a)whether the Government proposes to increase minimum wages for different trades/occupations and if so, the details thereof;
(b)whether the Government has consulted the trade unions in this regard and if so, the details thereof;
(c)the likely effect of the move on the labour force in the country;
(d)the details of last revision of minimum wages for the above categories; and
(e)the other steps taken/being taken by the Government for the welfare and betterment of labour force in the country?

## Answer

MINISTER OF STATE (IC) FOR LABOUR AND EMPLOYMENT
(SHRI BANDARU DATTATREYA)

(a) to (e): A statement is laid on the Table of the House.

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STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF THE LOK SABHA STARRED QUESTION NO. 102 FOR 25.07.2016 BY SHRI MOHITE PATIL VIJAYSINH SHANKARRAO AND SHRI M.B. RAJESH REGARDING "MINIMUM WAGES".

(a) & (b): Under the provisions of the Minimum Wages Act, 1948, both Central and State Governments are appropriate Governments to fix, review and revise the minimum wages for different categories of workers employed in the scheduled employment under their respective jurisdictions. The Central Government is the appropriate Government in respect of 45 scheduled employments in the Central Sphere.
The revision of Basic Minimum Wage in the Central Sphere is done in consultation with the Minimum Wages Advisory Board (MWAB) which is a tripartite body comprising of members each from the (i) Employers' Group, (ii) Trade Unions and (iii) Independent members. The last meeting of MWAB was held on 26.05.2016 where suggestions were received for review of the minimum wages in the scheduled employment.

(c): The upward revision of the minimum wage would facilitate the labour force to cope up with the changes in the cost of living.

(d): The statement showing the details of last revision of basic minimum wages for the scheduled employments under Central Sphere is given at Annexure I.

However, to check price escalation, the idea of Variable Dearness Allowance (VDA) was mooted. Accordingly, in the Central sphere, the minimum rates of wages are revised by adding VDA effective from 1st April and 1st October every year. The rates of minimum wages for scheduled employments in the Central Sphere w. e. f. 01.04.2016 is at Annexure II.

(e): Over the last two years, the Ministry has initiated many labour welfare measures like minimum pension of Rs.1000/-per month to the pensioners under Employees' Pension Scheme (EPS), 1995, portability of provident fund account, National Career Service portal, Employees State Insurance Corporation 2.0, Revision in eligibility and calculation ceiling under the Payment of Bonus Act, 1965 etc.